

Transforming Future Museums:
International Museum Academy Greece

Fundraising and Income Generation Toolkit

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International Museum Academy Transforming Future Museums

Museums and galleries in Greece are experiencing change, rapid growth, and transformation. These changes accelerate the need to train a new generation of museum leaders. In response to this need, the British Council launched **Transforming Future Museums** (January 2016 – July 2018), an intensive professional development programme designed to boost the museum and heritage sector in Greece by enabling it to respond to the challenges and possibilities of a new era.

The programme offers organisations and individuals the necessary support and tools to test new ways of working: build tactical collaboration channels, and: generate long-term working relationships based on peer-to-peer learning and exchange of good practice. The core part of the programme is the International Museum Academy, taking place in Athens and Thessaloniki, in October and November 2016 and 2017.

The courses comprising the first International Museum Academy in Greece were:

- Project Management for Museums
- Developing Exhibitions
- Fundraising and Income Generation
- Audience Development

<https://vimeo.com/217152476>

In order to add value to face-to-face training courses and to widen the knowledge shared in those sessions with a wider audience we have commissioned these digital toolkits.

The Transforming Future Museums programme is a British Council initiative supported by the Stavros Niarchos Foundation.

Course introduction

Fundraising and Income Generation

In the current economic climate it is essential that museums and galleries re-think how they run their organisations.

New sources of income must be considered to ensure that services can be maintained and developed for the long-term benefit of individual communities and society as a whole. This course has supported over 35 museum professionals in Athens and Greece who wished to develop their fundraising and income generating skills.

Drawing on the expertise of UK museum professionals, course leaders **Hopkins Van Mil: Creating Connections Ltd** developed a programme of seminars, site visits, guest lectures, and practical workshops covering the subjects in this toolkit.

Tutor biography

Hopkins Van Mil (HVM) is about engagement to gain insight. HVM builds capacity for change through training, mentoring, and facilitating workshops to empower organisations, teams, and individuals. **HVM was founded in 2005 by Henrietta Hopkins and Anita van Mil who each have over 20 years' experience in the museum sector.** Henrietta Hopkins was previously Head of Strategic Marketing and International Relations at the Museums, Libraries, and Archives Council in the UK and Anita van Mil was the Senior Policy Officer/Deputy Director at the Netherlands Museums Association.

In the past five years HVM has been commissioned to design and deliver training, workshops, and presentations by 12 museum and cultural heritage development agencies. In this way the team has built capacity in fundraising, income generation, and audience development for over 200 organisations reaching over 450 individuals in the UK and internationally.

Learning outcomes

By the end of this toolkit you will be able to:

- Understand the core principles of fundraising and the fundraising mix
- Develop key elements of a fundraising/income generation plan
- Have an insight into building effective fundraising relationships and developing proposals of value to funders and supporters

Five things to know about fundraising and income generation

- 1.** It's all part of the plan. Agree on a small number of achievable objectives which fit the strategic aims of your organisation and measure your fundraising/income generation progress.
- 2.** Make sure you are clear about the museum's purpose (why it exists) and vision (where it aspires to be in 5–10 years time). You need this context to be successful in your fundraising/income generation!
- 3.** Ensure a healthy balance of funding sources based on your museum's needs and capacity to fundraise. Do not rely exclusively on one funding source.
- 4.** Tell a compelling story. Communicate the benefits your organisation brings and why it needs to fundraise/generate income. Match your story to the needs of the donor.
- 5.** Think creatively. Everyone in the organisation should be aware of the fundraising/income generation plan and have an opportunity to contribute ideas.

01 Introduction to fundraising and income generation

Fundraising, income generation, and the funding mix

Identifying a reliable source of income is crucial to the museum's long-term sustainability and takes up resources and time. A revenue stream that mixes fundraising and other income-generating activities ensures that the museum does not rely on a single source.

Fundraising: Communicating a good and beneficial idea to someone who has the means to make it happen. Fundraising is about change and making a convincing argument.

Income Generation: Making revenue through trade and investment. Income generation is about minimising a museum's dependence on grants and thinking creatively about products and services it can sell.

The funding mix: Long-term sustainability is best achieved by a mixed portfolio of funding sources.

"A financially sustainable organisation, small or big, is an organisation that can consistently support and deliver its mission, making the most of changing markets and funding environments."

– SUN, Sustainability toolkit, NCVO

A healthy balance between fundraising and income generation mitigates the risk of losing funding in one area.

To achieve this museums need to consider the full breadth of the funding mix:

- Grants from trusts and foundations
- Sponsorship
- Individual giving
- Income generation

Activity

A Strengths, Weaknesses, Opportunities, Threats analysis (or SWOT analysis) is a useful tool to gain an understanding of the museum's position.

Work in pairs to do your own SWOT analysis.

What are the museum's/organisation's strengths and weaknesses? What external opportunities could the museum potentially take advantage of in the context of fundraising and income generation? What are the external threats it needs to mitigate against?

Refer to the SWOT Analysis tool on the following page.

Tool: SWOT Analysis

	Helpful	Harmful
Internal	<div><h1>S</h1><h2>Strengths</h2><ul style="list-style-type: none">• In what sense are you competitively strong?• What are you successful in?</div>	<div><h1>W</h1><h2>Weaknesses</h2><ul style="list-style-type: none">• In what sense are you competitively weak?• What are you unsuccessful in?• Where do you lack resources?</div>
External	<div><h1>O</h1><h2>Opportunities</h2><ul style="list-style-type: none">• What positive events/developments in the environment can you potentially benefit from?</div>	<div><h1>T</h1><h2>Threats</h2><ul style="list-style-type: none">• What are the negative factors/trends in your environment now and in the future over which you have no direct control?</div>

02 Planning for fundraising

It's a big job

Fundraising is a mammoth task. It requires time, dedication, and tenacity.

As time is not in abundance in any museum it is important to take a planned approach to fundraising. A clear fundraising plan, with a small number of fundraising objectives and compelling fundraising messages, shared throughout the entire organisation is more likely to bear fruit than an ad hoc approach of chasing opportunities as they come along.

Before embarking on a fundraising journey ask yourself the following questions:

- Do you have in-house experience/expertise?
- How much time can staff commit?
- How will your Board/Trustees support this effort?
- Do staff understand the importance of fundraising?
- Do you have the appropriate internal structures in place?

Elements of a fundraising strategy

Taking the time to develop a simple plan for fundraising is incredibly useful. If you share the thinking that goes into a fundraising action plan, the museum will have a clearer understanding on who is taking responsibility for what. A fundraising plan is a working document that should be updated regularly and adjusted as necessary.

As a minimum it comprises statements on:

- 1. Aim:** What it is the museum is trying to achieve
- 2. Audit:** A description of the museum's position
- 3. Objectives:** A small set of SMART (Specific, Measurable, Achievable, Realistic, Timetabled) objectives
- 4. Potential funders:** A shortlist of potential funders based on research
- 5. Environment:** An analysis of the fundraising environment
- 6. The case for support:** Why a funder should part with their money to support your project
- 7. Implementation plan:** How you are going to achieve your fundraising objectives
- 8. Monitoring and evaluation:** How you intend to measure progress and success

Activity

Use the checklist over the page to review all the tasks required in developing an effective fundraising plan.

The checklist can be worked through by individual members of staff, or as a team exercise to help in the allocation of fundraising tasks.

Use it at the beginning of the process to understand what is involved and at the end to check all tasks within the fundraising plan have been covered.

Tool: Checklist

- ☐ Develop an overall vision of what it is you are trying to achieve
- ☐ Agree on a small number of SMART (Specific, Measurable, Achievable, Realistic, Timetabled) objectives
- ☐ Research the funding environment and identify opportunities
- ☐ Prioritise fundraising activities: what needs to happen in the next six months; the next year; the next five years?
- ☐ Decide which funding source is the best match for your project (trusts/foundations, individual, or corporate donors)
- ☐ Gather support for fundraising internally and externally and maintain these relationships
- ☐ Remember that some investment will be necessary to be successful (fundraising budget/staff time)
- ☐ Map out actions for each week up to the funding deadline/meeting
- ☐ Develop a monitoring and evaluating system to check regularly whether your plans are on track and feed findings into next year's fundraising strategy

Activity

What needs money?

There will be many things that need money in your museum. Develop a wish list for income generation and fundraising.

List all projects and indicate their level of priority:

- 1 = urgent – money needed within next 6 months
- 2 = medium – money needed within 12 months
- 3 = low – money needed within 18-24 months

Refer to the tool on the following page.

Project	Priority	Funding source

SMART Objectives

It is essential to turn some elements of your wish list into SMART Objectives.

SMART Objectives are fundamental to all strategic planning, including fundraising. It helps the museum keep its fundraising goals on track and ensures you are realistic about your ambitions.

A basic fundraising plan contains approximately **five objectives** with sub-objectives, strategies, and tactics which flow from them.

Each objective needs to be:



SMART objectives keep the museum focused and are a good way of explaining that you know what you are doing and how to do it, gaining internal and external support along the way.

Examples:

- To raise €500 from local individual funders within six months to deliver a series of educational activities to primary schools
- To raise €10,000 from trusts and foundations to refurbish the museum's auditorium for future events in two years
- By this time next year, to gain in kind support from a local company for the printed collateral needed to promote our family programme the following summer

Activity

Decide what you want to achieve: be smart!

Your wish list for fundraising is likely to be too ambitious for the museum to take on.

Develop a shortlist of no more than **five SMART objectives** to focus on for 12–18 months. Indicate which source of funding you are targeting (individual/ corporate donations or trusts and foundations).

Refer to the tool on the following page.

Specific **M**easurable **A**ctionable **R**elevant **T**imetabled

Write down a maximum of five fundraising objectives ensuring you include every element of a SMART objective.

1.

2.

3.

4.

5.

Check: Is each objective SMART?

Researching potential funders

It is essential that museums carry out research into potential funders.

This is called '*prospect research*' when related to individual donors. This section covers the broad range of funders in the mix. Use appropriate research techniques to identify the funders and analyse in-depth their potential interest in the museum's work.

Desk research

The simplest form of research which costs nothing but time. It stops your museum reinventing the wheel and builds on success.

Go through your museum's previous fundraising plans to analyse:

- Which funding approaches have been successful and with whom
- Where the museum has been less successful and why

Secondary research

Requires more work than desk research but remains low cost:

- Look beyond your own museum to see where similar organisations have been successful.
- Use internet searches and review local media to find out, for example which local entrepreneurs are active in funding aspects of community life and who has funded educational activities in the locality.

Primary research

Is the most complex. It is new research to understand which trusts, foundations, individuals, and companies have most affinity with the museum. It includes surveys, interviews and focus groups. Only conduct primary research if desk and secondary research have revealed gaps in your understanding of potential donors.

Managing the data obtained through research

It is likely that several members of staff or volunteers are involved in collating data obtained during research.

Create a simple spreadsheet to share the information:

- Publicly available information
- Contact information
- Last contact made with the organisation/individual
- Brief note of conversations held
- Person within the museum who made the contact
- Follow-up date
- Update date

Monitoring and evaluation

Monitoring is the routine collection and recording of information about a project or event. It provides regular feedback on how things are going and helps the museum make decisions.

Monitoring versus evaluation

Monitoring is about accounting for work; evaluation is about judging its value. Routine monitoring will show if you're making sufficient progress towards the set SMART fundraising objective.

Monitoring is part of the planning cycle for fundraising. Findings from monitoring and evaluation will inform what to do next. It is important to draw conclusions from the findings: Why haven't we been as successful as we had hoped to be? What can we improve? Why did we exceed our own expectations and how can we build on this success?

Keep it simple

Make sure monitoring doesn't become a burden. Only measure what is really important.

Key principles of good data collection are:

- **Practicality** – the benefits of having the data should outweigh the difficulties in obtaining it
- **Relevance** – any data captured should have a clearly identified application
- **Consistency** – the data and methodology of collection should be standard, repeatable, and regular
- **Coherence** – the data should be comparable with other data sets

Making the case for support

The case for support is essential for any fundraising plan. It is where the museum clearly presents to funders what the benefits are in supporting its work. It is critical that a broad range of museum staff is involved in the development of the case. It is this ownership of the process that sets the stage for a successful campaign.

A general case for support contains:

- A short statement about the museum's excellence
- A brief review of the museum's history to demonstrate previous successes
- A statement of the museum's future direction
- An explanation of how much it will cost to head in that direction
- An indication of how the plans will be achieved

When will the case be used?

The museum is likely to use the case in various situations. It is therefore helpful to have a short summary which can be remembered easily by all involved and adapted as necessary for everything from formal applications to informal, preparatory conversations.

Some likely uses are:

- As part of a funding application
- As part of a well-targeted letter to a potential donor
- At face-to-face follow-up meetings
- As part of the '*support us*' pages on your website
- When undertaking a fundraising event

What is the correct tone of voice?

This will depend on your museum and on the funder to which the case is being put.

The case must be:

- Rational and passionate
- Compelling but not emotional
- Urgent but not desperate

There is a delicate balance to be made between appealing to the funder's belief in the cause but not being too intrusive or emphatic about it.

Which case do I use?

Tom Ahern, donor communications specialist¹, outlines four types of cases to be made:

- 1. The internal case**, where talking points for donors and prospects are collected and stored. It's an internal source document.
- 2. The general case**, which has two functions: to concisely illustrate why the museum's mission is important and to make clear the necessary support of donors.
- 3. The feasibility or draft case**, which is the unfinished version of the public case. Fundraisers show this case to top prospects to get their feedback and buy-in (and lead gifts during campaign quiet phases).
- 4. The public case**, which is used by museum staff and volunteers and comprises a set of short, sharp messages used in the ways suggested above.

Making an excellent case relies on compelling messages which meet the needs of the potential funder.

1. <http://www.aherncomm.com/>

Activity

Where do you excel?

It is essential to identify why your museum matters, what makes it stand out from others, and what its particular strengths are. Complete the worksheet and compare notes with your colleagues. The outcome should be a joint statement of key strengths.

Refer to the tool on the following page.

Write down three points under each of the following headings.

The needs we meet are important because:

1. _____
2. _____
3. _____

The following shows that we are effective:

1. _____
2. _____
3. _____

We are different or unique because:

1. _____
2. _____
3. _____

If you get stuck, try: **We are excellent because:**

1. _____
2. _____
3. _____

With your colleagues develop a shared statement of excellence for your museum. This forms the basis of your case for support.

Communicating your case for support: Benefits versus features

You will need to articulate the benefits of your museum.

For example, we:

- Preserve the past for the future
- Have an excellent track record of running educational events
- Offer hundreds of family-shared learning opportunities
- Foster community cohesion by creating links between generations
- Provide entertainment and inspiration to young people

Why focus on benefits?

It is often easier to articulate the features of the museum.

For example:

- We run over 20 events a year
- We have worked with over 300 primary school pupils in the last six months
- Our collection comprises more than 100,000 artefacts

However, potential funders will be drawn to the cause first of all because of the benefits the museum brings. The features are useful supporting evidence but are secondary in the hierarchy of relevant information.



Sackler Hall © Museum of London www.museumoflondon.org.uk

Activity

Think yourselves into space

A helpful exercise when considering the difference between features and benefits is to imagine that you and your colleagues have been sent into to space for five years.

Each of you is allowed to take one object with you, but it can't be an electronic device. What will it be?

Food, drink, and toiletries are provided for and each person on board the spaceship will have a dedicated hour of access to the space shuttle's computer with internet access.

Once everyone has chosen an object you receive a call from the European Space Agency. They tell you that there has been a miscalculation on the weight allowance for the spaceship. Only one of the group will be allowed to bring their object.

Your role: to convince everyone else that your object should be allowed to come with you.

Refer to the tool on the following page.

One member of the group should act as group leader and gather all the comments about why the objects should come or not.

Collate them into two columns labelled as follows:

Benefits	Features

The group will see that the object with the most significant benefits for the group (rather than features) is chosen to be taken into space.

From benefits to fundraising messages

Once your team is clear about the benefits the museum potentially brings to a range of funders you need to translate benefits into key messages: snappy statements containing the main thing you want your funder to remember.

What is a good key message?

- Uses clear language
- Is tailored to the interest of the funder segment
- Focuses on one idea
- Is easy to understand and remember for staff and funders
- Is simple to say aloud
- Uses an active voice
- Is persuasive by focusing on benefits and using features as evidence of success

How are you going to stand out?

The museum needs to be clear about what potential funders need to hear from the organisation.

- Identify the points the museum wants to get across, then focus on the most important points
- Refine the messages, remove any scientific language or museum jargon
- Would the message fit on a postcard? If not, then it's too complicated – simplify it
- Check that each message is positive with a focus on what your museum can do, not on the barriers to success
- Develop a few supporting points, statistics, or quotes (the features) to back up the message
- Add examples that bring the message to life – the more visual, the better
- Ask someone to look at your key messages with an editorial eye

03 Fundraising from Trusts and Foundations

Tapping into the value of trusts and foundations

Trusts and foundations solely exist to give money and support to a particular charitable cause.

Benefits of trusts and foundations:

- Exist to give money away
- Publish criteria which enable an organisation to tailor their approach
- Often give money to well-planned, well-targeted applications
- Provide opportunities to develop long-term relationships: a 'no' must be seen as 'not yet' and an opportunity to learn
- Provide opportunity to develop staff skills as part of the project budget

Challenges in fundraising from trusts and foundations:

- Funding is based on a project by project basis
- Fierce competition
- Need detailed research: criteria and assessment processes vary
- Need to ensure support from everyone in the museum
- Might require to train staff
- Might need expert advice
- Investment (time) needed to succeed

Researching trusts and foundations

Research is at the heart of all effective fundraising.

When fundraising from trusts and foundation you will want to know:

- Which trusts and foundations support museum work in Greece?
- What type of funder are they?
- What are their funding priorities?
- What is the application process?
- What grants have they made in the past?
- What is their grant range?
- Do they have advisers who can help you?
- Are there connections between you and the funder?
- What are their deadlines?

Funding opportunities for Greek museums

The following is a snapshot of potential funding opportunities for Greek museums. Further research is required to identify details of specific programmes and examples of previous grant-making.

European funding

Fund-finder, an excellent publication summarising funding opportunities for culture and heritage in Europe: https://www.ietm.org/sites/default/files/150630_fund-finder_v2.pdf.

In 2016–17 over €100 million for research and innovation in the field of cultural heritage will be available under **Horizon 2020**, the EU's research funding programme. This increase in funding recognises cultural heritage as an investment opportunity where research and innovation can make a difference. The renewed European Research & Innovation policy agenda focuses on European cultural heritage and the contribution it can make towards smarter, more inclusive, and more sustainable development. <https://ec.europa.eu/programmes/horizon2020/en/what-horizon-2020>

Creative Europe is a European Union framework programme to support arts, media, and culture. Funding strands include collaboration with creative industries, international (touring) exhibitions, and programmes around refugees, migration, and intercultural dialogue. Call for proposals are published here: https://eacea.ec.europa.eu/creative-europe/actions/culture/cooperation-projects_en

NEMO, the Network of European Museum Organisations, collects museum-relevant, cross-sectoral, international, and European funding possibilities. It also serves as a platform for cooperation between museums for new projects. <http://www.ne-mo.org/our-topics/european-funding-for-museums/nc/1.html>

Other international funds and portals

Global Heritage Fund is a global funder working to empower communities through heritage preservation. Global Heritage Fund has worked to inspire and empower communities across the globe to become responsible stewards of their heritage. The fund has a particular interest in ancient civilisations. <http://globalheritagefund.org/index.php/what-we-do/projects-and-programs/>

The Heritage Portal is a free online resource for everyone in the Cultural Heritage community. They focus specifically on those who are producing research into aspects of cultural heritage and those who benefit from the findings of that research. They frequently update news on funding opportunities. www.heritageportal.eu/About-Us/Who-we-are/

Opportunities in Greece

Bodossaki Foundation includes education as one of its funding strands. The trust has funded educational equipment for projects in the Hellenic Children's museum and the Goulandris Museum of Natural History. <http://bodossaki.gr/>

Stavros Niarchos Foundation is a leading international philanthropic organisation making grants in the areas of arts and culture, education, health and sports, and social welfare. The Foundation funds organisations and projects that are expected to achieve a broad, lasting, and positive impact for society at large, focussing on vulnerable groups such as children and the elderly. The Foundation supports projects based on public-private partnerships. <http://www.snf.org/>

Alexandros Onassis Foundation funds projects that have wide public benefits and a focus on arts, culture, education, health, and social welfare. <http://www.onassis.org/en/>

Understanding the hierarchy of funder needs



Your research will find that many funders match your needs approximately, but only a few will be strong ones – focus on those. It's key that you are honest with yourself rather than optimistic.

A useful way to find strong matches is an adaptation of Abraham Maslow's '*hierarchy of needs*'. Although this methodology was developed for fundraising from trusts and foundations, some of the principles apply to prospect research (individual and corporate donors) as well.

How it works: start at the bottom and work toward the top.

The three bottom tiers are minimum qualifications for eligibility:

1. **Your mission:** Do you share the same **aims** as funder?
2. **Location and audience:** Are you within the funder's **geographic reach** and do you serve the audiences they **are** interested in?
3. **Impact and effect:** Do your project's intended outcomes **match their expected results**?

If you have strong matches in these three areas you will not necessarily get funded. All it means is that you won't be thrown out yet.

Satisfying the top two tiers of the hierarchy will set you apart from others.

4. **Quality:** Demonstrate quality in your planning and performance, based on evidence (e.g. user comments, other organisations copying your efforts or asking your advice)
5. **Edge:** What sets you apart – and matters to the funder.

Only if you can satisfy all five needs completely is it worth applying. Address all five but invest particularly in addressing the top two.

04 Fundraising from individual and corporate donors

Reasons why people/companies give and don't give

Why they give:

- Purely altruistic reasons
- Enjoy the benefits a museum offers to those who give a donation
- Develop their social standing (platform to be seen as engaged)
- Feel ownership and pride
- Belong to a peer group (be part of the community of donors)
- They were asked by the right person

Why they don't give:

- They don't like how they were asked
- Denial of need: the museum seems to be well-run
- Denial of responsibility: it's not my job to support the museum
- Not in the position to support

Part of the overall fundraising plan

Individual and corporate donors should be part of the overall Fundraising and Income generation plan.

Donor engagement requires a staged approach. The museum should aim to move donors up the ladder of giving and of donor loyalty: from small, one-off donations to larger sums and increased loyalty.

Ladder of giving:

- Pocket money
- Regular giving
- Major donation
- Legacies

Ladder of donor loyalty:

- Suspect (research demonstrates a potential interest)
- Prospect (target donor)
- Donor (someone who has made a donation)
- High value donor (regular donations of larger sums)
- Advocate (an ambassador for the museum)

Funder segmentation

Segmentation is a process drawn from marketing. It groups funders and then reacts appropriately to the needs of each group. Funder segmentation is a **cost-efficient** and **effective** approach to reach out to funders.

Cost-efficient:

- People grouped under common needs or preferences are likely to react to a funding approach in a similar way thus saving the museum time and resources.

Effective:

- By understanding more about your potential funders and talking to different funder segments in the most relevant way it is more likely that they will respond positively to the museum's proposal.

The six steps to effective segmentation:

1. Confirm the SMART objective to which the fundraising is related
2. Agree the distinctive qualities of each segment within the museum's contacts spreadsheet
3. Group the individuals and organisations around those distinctive qualities within the spreadsheet
4. Prioritise each segment in line with the timeframe of the activity
5. Agree on an approach for each segment
6. Follow through appropriately with individuals and companies in each segment

Activity

Priority funder groups for your museum

The best way to arrive at a manageable set of funder groups is brainstorming who might be willing to support your museum, financially or in kind.

The next step is prioritising from which prospects you expect the biggest return on the time you need to invest to engage them with your cause.

List your priority target groups in the table on the following page. For each funder group consider which benefits and fundraising techniques will be most appropriate and what will be an effective fundraising message to use.

Refer to the tool on the following page.

Priority funder group	Benefit	Fundraising technique	Message

Corporate giving

Corporate relationships take time and effort to develop. They are not a quick-fix solution to budget shortfalls and should be considered in the context of the funding mix and an overall fundraising plan.

Sponsorship is defined as the payment of money by a business to a cultural enterprise with the specific aim of promoting its name, products, and/or services.

Corporate support is a wider concept and might include an exchange of skills or experience and gifts in kind to promote a more equal relationship between the museum and the company.

Why businesses sponsor museums:

- Gain access to a target market
- Build brand awareness and enhance the company's image
- Take advantage of the museum as a venue for entertainment of stakeholders
- Offer staff volunteering opportunities and build morale
- Develop community links

Benefits for a company:

- Gain acknowledgement
- Maximise (social media) exposure
- Get private view invitations
- Get access to special events
- Get access to the museum's mailing list
- Can obtain attractive corporate gifts
- Can use museum's images

What to consider when developing sponsorship arrangements:

- Potential links to your programmes
- Ethics: be clear what you are prepared to do – and what not
- Be clear on the benefits to them – and what their support will achieve for you

Sponsorship is often the result of long-term partnerships.

Creating a corporate membership scheme

- Can be hard to build – you need a clear offer
- Work out the target segments: local/regional/national businesses?
- Use your networks and avoid ‘out of the blue’ approaches
- It’s about personal contact – get them to your museum
- Define clear benefits – maybe for their employees
- Be realistic and patient

Activity

The checklist over the page should be used when considering the extent to which the museum has the time, resources and/or capacity to develop a corporate membership scheme.

It can be used by individual members of staff, or as a team exercise to allocate tasks.

It can be used before the corporate membership scheme is incorporated in the fundraising plan, and after it has been integrated to ensure all tasks are covered effectively.

Partnerships with companies

- ☐ Does the museum have the resources to develop a sponsorship campaign?
- ☐ Take advice. Talk to people in your network who run a business or have access to business networks and consider their view on your museum's opportunities
- ☐ Learn from organisations of a similar size, reputation, and structure. Find out how they have developed partnerships
- ☐ Allocate an appropriate amount of time. Businesses plan their budgets 12–18 months in advance
- ☐ Agree internally on a set of principles when seeking partnerships—are there types of business you wouldn't wish to be associated with?
- ☐ Assess what activities you wish to work on to ensure the package is mutually beneficial: publicity, branding associations, corporate hospitality, staff team building activities, or special promotions
- ☐ Thoroughly research companies to minimise the time spent on inappropriate approaches
- ☐ Shortlist companies you wish to approach and tailor the partnership opportunities
- ☐ Agree on who within the museum is best placed to make an approach, maintain contact, and carry out any follow-up work
- ☐ Make sure you have a formal agreement in place, identifying expectations on both sides, when you enter a partnership agreement
- ☐ Evaluate the project and feed the results back into your fundraising plan
- ☐ Share the evaluation with the company and maintain a good relationship to open the door for future opportunities

Individual giving

Fundraising from individuals offers great opportunities for museums. A well thought-through campaign can turn visitors, families and friends into donors. It targets particular funder segments with tailored messages based on the reasons why people give.

Every fundraiser aims to increase donor loyalty and move donors up the ladder of giving.

Why people give

Belief in the cause

- Support a cultural activity
- Confident in the competence of the organisation
- Museum seen as part of the community's collective wealth
- Proud of the museum

Catalyst for change

- Make a difference
- Create something new
- Support talent

Self-actualisation

- Pleasure in being appreciated
- Control over how money is spent
- Response to a personal experience
- Learning opportunities

Interest in the transactional value

- Enjoy the benefits received in return for a donation
- Continued relationship if package remains competitive

To develop their social standing

- Platform to be seen to be engaged
- Belong to a peer group
- Asked by the right person

“An important factor is where people I know are asking for money. It's about respect. Their involvement endorses the cause and the relationship, which means I'm more inclined to support the project.”

– Lloyd, Theresa, Why Rich People Give, Philanthropy UK, 2004

Case study

The Great North Museum Hancock in England launched an individual giving campaign in 2009. It created a [Butterfly Wall](#) and encouraged visitors to purchase a butterfly to mark a special event or memory:

Be part of something special

Donations to the Butterfly Wall keep our family fun events free of charge and support learning activities for all ages at the Great North Museum



Tyne & Wear Archives & Museums

Activity

Individual giving

Consider these points to create a strategy to attract individual donors. Remember that long-term relationships are an essential part of this process.

Refer to the tool on the following page.

Tool: Checklist

- ☐ List the museum's target groups for individual giving
- ☐ Set SMART objectives
- ☐ Understand the motivations for an individual supporting your museum and ensure the approach meets their desire to support
- ☐ Approach those already engaged with the museum first
- ☐ Take a long-term approach to building up a network of interested supporters
- ☐ Think of the funding mix and ensure that you are not relying on one donor, or indeed type of individual donations; a mixed system will provide a backup if one source of funding dries up
- ☐ Gather support for fundraising from the Board of Trustees, friends of the organisation (if in place), and local people with influence. Maintain these key relationships long-term
- ☐ Understand the triggers for giving, including an individual's giving history and ability to give, and target your approach accordingly
- ☐ Consider using events to cultivate interest before making a formal approach
- ☐ Use your museum's website to raise awareness of the funding needs and generate a buzz around your campaign
- ☐ Continue to make the museum's offer interesting to encourage repeat gifts
- ☐ Ensure key messages are developed and integrated in all written and verbal communication to make the case for support
- ☐ Say THANK YOU to those who have supported your organisation and maintain good long-term lines of communication

Contacting potential funders

Contacting your donor is a matter of timing and includes some basic steps:

1. Get an introduction if possible, never 'cold call'
2. Email a short proposal
3. Follow up with a phone call
4. Aim for a meeting
5. Be confident: you know more about your museum than your prospect

"We don't like cold callers! You are interrupting us; we are always busy. And we don't agree on a deal over the phone anyway."

– Marketing manager, UK Department store

"It takes a lot of confidence to approach a corporate partner. It is about carving out enough time and mental space and feeling that you are well informed."

– Development officer, UK museum

Pricing your proposal

Make sure your pricing is accurate and offers options

- Price = value (not cost)
- Translate what you need into a package of benefits
- Don't under/oversell yourself
- Include the cost of servicing the sponsorship (staff time)
- Divide the total price in smaller modules

You cut yourself short if you price a proposal as follows:

Cost of exhibition: £10,000

Less:

- Ticket sales £2,000
- Grants £3,000
- **Shortfall: £5,000**

Therefore the sponsorship price = £5,000

"If you need £10K tell us that, but give room for manoeuvre. If I can't give you £10K I have nowhere to go except a refusal. If you say you need £10K but if we give £200 you can do X or if we give £1,000 you could do Y; that would help enormously."

– Marketing manager UK Supermarket

Doing the ask

Asking for funding and other kinds of support can be daunting. The key to success is taking pride in your project and ensuring the museum has done all the groundwork beforehand.

Think about:

- Your identity
- Your audience
- The project you need funding for
- Benefits for the company/individual in supporting your museum
- Pricing your proposal

Be confident: you know more about your museum than your prospect!

Dealing with objections – if you don't get a positive response, make sure you:

- Don't jump to conclusions
- Don't become defensive
- Remain positive
- Identify underlying concerns: ask questions
- Keep the door open
- Return with another proposal

Activity

The checklist over the page should be used when considering how to integrate 'the ask' into a fundraising plan.

It can be used by individual members of staff, or as a team exercise to allocate tasks.

It can be used before 'the ask' is incorporated in to the fundraising plan, and after it has been integrated to ensure all tasks are covered effectively.

Tool: Checklist

- ☐ The museum is clear why it needs funding through its fundraising plan
- ☐ Research has been done to understand funders' requirements
- ☐ The approach is *only* made to those it knows have some affinity with the museum or the museum sector in general
- ☐ Ensure that the ask is not the first contact with a potential funder. They should already know about the museum, its work, and its plans
- ☐ Whoever is making the ask should be the right person from the funder's perspective, either because of previous contact or their ability to deliver key messages effectively
- ☐ If the ask is being made in person, take anything to the meeting you might need including visuals and handouts
- ☐ The ask itself is a question: a specific and clear action you wish a company, trust/foundation, or individual to take in support of your museum. Be clear about what that question is before you ask
- ☐ Think about splitting the ask into: 1) ask for help or advice 2) ask for a financial or in-kind contribution
- ☐ Remember that the ask is about the funders' interests not the museum's. Using your research, focus on the aspects of the museum's work that are likely to spark their imagination
- ☐ Make sure you have not skewed your museum's work to fit the funder's needs. This is never convincing or sustainable
- ☐ Give the funder time to think after making the ask; they may need to consult others

Tool: Checklist

- ☐ Tailor your language to the individual you are approaching. Use business language when approaching a company
- ☐ If you receive a positive response, make sure the funder is thanked and maintain regular contact
- ☐ Whatever the outcome, keep a note on your funder sheet to follow appropriately. Interpret a 'no' as a 'not yet'

05 Common fundraising techniques

Fundraising is not only about writing excellent applications. There are many other ways to fundraise:

- Event fundraising
- Donation boxes
- Friends/membership schemes

Events fundraising

Organising fundraising events is a great way to involve a range of visitors, raise awareness of the museum's activities, reach new audiences, and increase the network of supporters.

Event fundraising checklist

Event fundraising is a large topic with legislation and practicalities to consider before planning any work.

Prior to the event:

- Consider the event objectives and how they can be achieved
- Establish a clear budget
- Prepare a cashflow forecast to manage the financial risks

- Consider risks to the museum's reputation if the event is not a success
- Avoid date clashes locally
- Ensure the venue is appropriate and accessible
- Communication needs to explain that the purpose of the event is to raise money and how the money will be used
- Create contingency plans, e.g. what will you do if it rains on the day of an outdoor event?

During the event:

- Allocate one person as event manager
- Make sure everyone in the museum knows what their role is
- Ensure everyone knows what to do in case of emergency
- Make sure one of the staff has first aid training
- Check that signage is appropriate for the event and participants
- Ensure all banking materials are stored securely and someone is in charge of float monies

After the event:

- Thank all those involved and donors as appropriate
- Bank all monies
- Debrief so that everyone can learn from the experience

Donation box

In the UK, donation boxes strategically placed and with compelling fundraising messages are an important source of income.

Make sure:

- Train staff to signpost visitors to the boxes and convey the fundraising message
- Place the box in a prominent position
- Experiment with the position and monitor donation levels
- Always start with a float
- Suggest appropriate donation amount
- Get your message right: why is the museum fundraising?

Example of a Local Authority museum message

Our museum receives a core grant from the Municipality of X to keep the doors open and pay the wages of collections care and front of house staff.

To bring our collections to life we need your support so that we can continue to:

- Inspire children and young people
- Deliver educational programmes and events
- Preserve the past for the future

Friends or Membership schemes

What is it?

A group of people pay a fee to support the museum and receive benefits in return.

The scheme size can be anything from 50 to 5,000 people. Large museums often have hundreds of thousands of Friends or Members. Some schemes have membership tiers, with more benefits for those who pay higher fees. Most often the scheme is part of the museum and administered by staff, but sometimes it is set up as a separate charity with its own administration.

Why have a Friends or Membership schemes?

Income generation:

- Raise unrestricted income from member fees and donations
- Develop the museum's relationships with potential donors
- Can be a group who fundraise for the museum

Ambassadorial:

- A way to demonstrate to funders that you have support from your community
- Create '*ambassadors*' for your organisation

What are the costs of Friends or Membership Schemes?

- Marketing and development
- Staff to administer the scheme – Friends expect great service
- Cost of membership cards/software/other infrastructure
- Loss of income – free admissions, discounts, etc.
- Staff time to create and attend events

Not all museums make a surplus from their Friends or Membership Schemes.

Why do people join and what benefits do they expect?

Transactional: To save money

- Free admission and discounts (e.g. in shop or café) which will cover the cost of the membership over the course of the year

For friends who join for transactional reasons the cost of the membership is price sensitive.

Philanthropic: To support

- Provide support to the organisation
- Be recognised as a supporter
- Receive insights, behind-the-scenes access, private views, etc.
- Free admission to charged areas

For them, the cost of membership is less price-sensitive. They may even give recurring donations if asked in the right way.

How to make friends

Using your visitor base:

- Convert visitors to friends and supporters
- Emotive appeal – sense of belonging to a community
- Supporters have their own networks, ask them to bring a friend

Approaching high net-worth individuals:

- Hard to reach
- Rarely respond to marketing, need a personal approach
- Usually assess your organisation, its vision and impact very carefully – and fund those they like
- A solid case for support is important but be flexible

06 Becoming an entrepreneurial museum

Entrepreneurial thinking is the ability to view the world and the museum surroundings as a marketplace and in response developing products/ services to take advantage of opportunities that present themselves.

Entrepreneurial thinking has diversification of income streams at its heart and involves looking beyond '*what is*' and visualising '*what can be*'.

Historically museum staff were not taught to think in this way. Most museum staff were trained to work with collections. However, times have changed and museum jobs increasingly involve elements of management, planning, selling, fundraising, and generating income.

Generating income through trade and investment

For an entrepreneurial museum earning money through trade and investment is an essential element of the funding mix as income generation minimises the museum's dependence on grants.

Income generating activities in museums include:

- Picture licensing
- Retail (on site and/or online shop)
- Catering (on site café)
- Venue hire (for weddings and events)
- Film and photoshoots
- Consultancy (selling staff-time to external parties)

There needs to be a business case for each income generation activity which demonstrates the viability of taking a product or service to the market. These activities should be assessed against core museum values.

Case study

Innovation assessment criteria

Five years ago, a large local authority in the West Midlands (UK) set up an enterprise team with the aim of increasing the museum service's sustainability. Income generation was an important part of the team's remit and in collaboration with [Hopkins Van Mil](#) the following set of criteria was developed to assess new ideas.

Any new ideas will be assessed on the extent to which a proposal:

- Is legal and ethical
- Supports the defined vision for the museum service
- Is in line with the museum's brand values

Does the proposal compromise:

- The safety of collections, displays, or buildings?
- The safety of staff and users?
- Staff ability to care for collections?
- Accredited status?

If no, then – does the proposal:

- Fulfil all obligations set by all professional codes of ethics to which museum staff abide?
- Have realistic, potential benefits which outweigh any potential risks?
- Allow for delivery within current staff capacity and resources?
- Fit well with current marketing and income-generation delivery objectives?

It was agreed that an income generation proposal should only go forward to the testing phase if it meets these criteria.

Clarity of purpose and vision

Entrepreneurs are 100% clear about what it is they have to offer the world and why they exist (purpose), and where they want to be in a few years time (vision).

It is essential that museums formulate their purpose and vision before they embark on income generating and indeed fundraising activities.

Purpose

- Why does the museum exist?
- What is its fundamental raison d'être?
- What are its core services?

Vision

- Describes the museum's desired future state
- Provides continuity
- Identifies direction and purpose
- Promotes focus, interest, and commitment
- Encourages and builds confidence
- Builds loyalty through involvement
- Results in efficiency and productivity

Activity

Your museum's vision

Complete the table with as many museum colleagues as possible and work together with senior management to arrive at a vision for your museum in five years time.

Alternatively: Fast forward five years and imagine you are attending a major celebratory event at the museum:

- What is the occasion?
- What is being celebrated?
- Who is there?
- What is being said?

Refer to the tool on the following page.

In five/ten years time my museum:

Will have achieved _____

Will be viewed by the local community/the region/nationally as _____

Will be doing _____

Will be used by _____

Will have the following values _____

Creating an entrepreneurial culture

Key points for success include:

- It has to be a joint effort
- It requires inspiring leadership that:
 - Creates excitement about the vision
 - Engages stakeholders
 - Empowers staff to take initiative and make time to see things through
- It requires staff commitment
- It includes setting up an enterprise team to channel thinking
- It needs a 'can do' attitude to prevail
- If necessary, advocating for altering the museum's constitution to allow for income generation



Your rainbow panorama, Olafur Eliasson, 2011. **Photographer:** Lars Aarø

Activity

To assess if your museum has what it takes to become entrepreneurial, complete the following exercise.

Characteristics of an entrepreneurial culture²

Consider the characteristics of an entrepreneurial culture listed on the following page:

1. Tick the characteristics your organisation already has, and put a cross in the ones which it needs to develop
2. Are there any other entrepreneurial characteristics which would be useful to have?
3. Consider how these characteristics can be developed
4. Work this analysis into your fundraising and income generation plan

2. Based on 'Getting ready for enterprise', 2-day course developed by NCVO and Cass Business School

Self-confident	Ethical	Dynamic
Self-starting	Competitive	Resourceful
Achievement orientated	Innovative	Versatile
Seeks opportunities	Likes autonomy	Persuades others
Copes with and enjoys uncertainty	Actively seeks to achieve goals	Responds flexibly to challenges
Takes risk in uncertain environments	Commits to make things happen	Solves conflicts and problems creatively
Has a clear and understood process for taking decisions	Proactive in communicating with staff and stakeholders	Clear focus on thorough planning and organising
Staff are financially aware and literate	Systematic in assessing risk	Positively disposed to problem solving

? Reflection and next steps

Three things I learned during this course

1. _____
2. _____
3. _____

One thing which I was reminded of during this course

One thing which surprised me during this course

One key message I will share with colleagues

One action I will take tomorrow

Tomorrow I will _____

Three actions I will take in the future

I will _____

To achieve this I will need _____

I will _____

To achieve this I will need _____

I will _____

To achieve this I will need _____

